

Preliminary production and sales data of the KGHM Polska Miedź S.A. Group for December 2022

The following report contains preliminary monthly data – the final quarterly and annual production and sales results will be published in the consolidated annual report for 2022. Data of the KGHM Polska Miedź S.A. Group contain the results of Sierra Gorda reflecting the 55% share held by KGHM Polska Miedź S.A.

Results of the KGHM Group in December 2022 - y/y:

Production and sales of the KGHM Group	December 2022	December 2021	I - XII 2022	I - XII 2021
Production				
Payable copper (kt)	55.7	57.6	733.0	753.7
- including KGHM Polska Miedź S.A.*	43.9	42.0	586.0	577.6
Payable silver (t)	120.0	131.0	1 327.1	1 366.1
TPM (koz t)	13.7	15.0	177.5	163.5
Molybdenum (mn lbs)	0.2	0.4	3.0	8.4
Sales				
Copper (kt)	52.8	58.4	710.6	730.1
Silver (t)	114.7	86.7	1 375.8	1 282.3
TPM (koz t)	9.8	10.7	169.2	155.7
Molybdenum (mn lbs)	0.2	0.7	4.3	8.1

* Production of electrolytic copper

Production of the KGHM Group:

- **Production of payable copper amounted to 55.7 thousand tonnes** – a decrease compared to December 2021 by 1.9 thousand tonnes (-3%) and was in respect of the segment KGHM INTERNATIONAL LTD. (lower copper content and recovery in the Robinson mine and sale of the Franke mine in the first half of 2022) and of Sierra Gorda (a lower volume of ore processed and lower copper content and recovery). Payable copper production by KGHM Polska Miedź S.A. increased by 5%.
- **Production of payable silver amounted to 120.0 tonnes**, or by 11.0 tonnes (-8%) less than the amount in December 2021.
- **Production of TPM amounted to 13.7 thousand troy ounces**, or by 1.3 thousand troy ounces (-9%) less than in December 2021 (the decrease was in respect of the segments KGHM INTERNATIONAL LTD. and KGHM Polska Miedź S.A., with higher gold production by the Sierra Gorda mine).
- **Production of molybdenum amounted to 0.2 million pounds**, or by 0.2 million pounds (-50%) less than in December 2021. The decrease in production by Sierra Gorda was mainly due to a lower amount of ore processed and lower molybdenum recovery.

In 2022 the production of copper, silver and molybdenum by the Group was above the levels set in the budget. In terms of copper production, the budget targets were achieved in all operating segments.

Sales of the KGHM Group:

- **Sales of copper amounted to 52.8 thousand tonnes** and were lower by 5.6 thousand tonnes (-10%) compared to sales in December 2021. Sales were at a similar level in KGHM INTERNATIONAL LTD., with lower sales recorded by KGHM Polska Miedź S.A. (-7%) and by the Sierra Gorda mine (-27%).
- **Sales of silver amounted to 114.7 tonnes** and were higher by 28.0 tonnes (+32%) than sales in December 2021. Higher sales were recorded by KGHM Polska Miedź S.A. (+35%) and by KGHM INTERNATIONAL LTD. (+40%), with lower sales by the Sierra Gorda mine (-43%).
- **Sales of TPM amounted to 9.8 thousand troy ounces** and were lower by 0.9 thousand troy ounces (-8%) compared to sales in December 2021. This result was due to an increase in sales of precious metals by KGHM INTERNATIONAL LTD. (+48%) and a decrease by KGHM Polska Miedź S.A. (-55%) and by the Sierra Gorda mine (-6%).
- **Sales of molybdenum amounted to 0.2 million pounds** and were lower by 0.5 million pounds (-71%) compared to December 2021. Sales of molybdenum were lower by the Sierra Gorda mine and by KGHM INTERNATIONAL LTD.

Results of KGHM Polska Miedź S.A. in December 2022 - y/y:

Production and sales of KGHM Polska Miedź S.A.	December 2022	December 2021	I - XII 2022	I - XII 2021
Mine production				
Copper in concentrate (kt)	31.4	29.1	392.5	391.3
Silver in concentrate (t)	105.1	97.9	1 315.8	1 302.9
Metallurgical production				
Electrolytic copper (kt)	43.9	42.0	586.0	577.6
- including from own concentrate	33.5	26.8	381.5	381.4
Metallic silver (t)	117.7	127.3	1 298.4	1 332.2
TPM (koz t)	7.4	8.6	87.3	81.3
Sales				
Copper (kt)	39.6	42.4	564.8	561.5
Silver (t)	111.3	82.2	1 338.3	1 248.9
TPM (koz t)	1.9	4.2	80.5	78.0

Production of KGHM Polska Miedź S.A.:

- **Production of copper in concentrate amounted to 31.4 thousand tonnes** and was higher by 2.3 thousand tonnes (+8%) compared to December 2021. The increase in production was due to processing a larger amount of ore.
- **Production of silver in concentrate amounted to 105.1 tonnes** and was higher by 7.2 tonnes (+7%) compared to December 2021, due to processing a larger amount of ore.
- **Production of electrolytic copper amounted to 43.9 thousand tonnes** and was higher by 1.9 thousand tonnes (+5%) compared to December 2021. The amount of cathode production in December 2022 was at the level set in the production plan for 2022.
- **Production of metallic silver amounted to 117.7 tonnes** and was lower by 9.6 tonnes (-8%) compared to December 2021. The decrease in metallic silver production was due to the lower availability of charge materials at the Precious Metals Plant.

Sales of KGHM Polska Miedź S.A.:

- **Sales of copper amounted to 39.6 thousand tonnes** and were lower by 2.8 thousand tonnes (-7%) compared to sales in December 2021. The lower sales in December 2022 were due to the continued build-up of inventory aimed at the efficient execution of contracts in the first quarter of 2023.
- **Sales of silver amounted to 111.3 tonnes** and were higher by 29.1 tonnes (+35%) compared to December 2021. The difference in sales achieved in the analysed period results from the agreed schedule of sales to customers.
- **Sales of TPM amounted to 1.9 thousand troy ounces** and were lower by 2.3 thousand troy ounces (-55%) compared to December 2021. The difference in sales achieved in the analysed period results from the agreed schedule of sales to customers.

Results of KGHM INTERNATIONAL LTD. in December 2022 - y/y:

Production and sales of KGHM INTERNATIONAL LTD.	December 2022	December 2021	I - XII 2022	I - XII 2021
Production				
Payable copper (kt)	3.4	5.5	56.2	71.7
TPM (koz t)	2.9	3.6	55.9	51.3
Sales				
Copper (thousand tonnes)	5.5	5.5	54.9	66.2
TPM (thousand troy ounces)	4.9	3.3	55.0	46.8
Silver (tonnes)	1.4	1.0	10.2	2.7

Production of KGHM INTERNATIONAL LTD.:

- **Production of payable copper amounted to 3.4 thousand tonnes** and was lower by 2.1 thousand tonnes (-38%) compared to December 2021, mainly due to lower production by the Robinson mine (-1.25 thousand tonnes: lower recovery and lower copper content in ore) as well as the exclusion of production by the Franke mine (a year-on-year difference of -0.87 thousand tonnes) due to the sale of this mine in the first half of 2022.
- **Production of TPM amounted to 2.9 thousand troy ounces** and was lower by 0.7 thousand troy ounces (-19%) compared to December 2021, due to lower gold production by the Robinson mine (-1.31 thousand troy ounces - lower recovery) despite higher TPM production by the Sudbury Basin (+0.58 thousand troy ounces - higher TPM content in ore and higher extraction).

Sales of KGHM INTERNATIONAL LTD.:

- **Sales of copper amounted to 5.5 thousand tonnes** and remained at a similar level to sales in December 2021. The lack of comparable of copper sales volumes by the Franke mine to those sold in December 2022 was offset by a higher volume of concentrate sales by the Robinson mine (by around 7 thousand tonnes dry weight). Higher sales were recorded by the Sudbury Basin, with lower sales by the Carlota mine.
- **Sales of TPM amounted to 4.9 thousand troy ounces** and were higher by 1.6 thousand troy ounces (+48%) compared to December 2021. This was mainly due to a higher volume of copper concentrate sold by the Robinson mine. The Sudbury Basin also recorded higher sales of gold, platinum and palladium compared to sales in December 2021.
- **Sales of silver amounted to 1.4 tonnes** and were higher by 0.4 tonnes (+40%) compared to December 2021. This was mainly due to a higher volume of copper concentrate sold by the Robinson mine and higher silver content in executed shipments (compared to the same period of 2021). Higher silver sales were also recorded by the Sudbury Basin.

Results of Sierra Gorda S.C.M. in December 2022 - y/y:

Production and sales of Sierra Gorda (on a 55% basis)	December 2022	December 2021	I - XII 2022	I - XII 2021
Production				
Payable copper (kt)	8.3	10.1	90.8	104.4
Molybdenum (mn lbs)	0.2	0.4	2.9	8.2
Payable silver (t)	2.1	3.5	26.7	31.9
TPM (koz t)	3.4	2.8	34.3	30.9
Sales				
Copper (kt)	7.7	10.5	90.9	102.4
Molybdenum (mn lbs)	0.2	0.7	4.2	8.0
Silver (t)	2.0	3.5	27.3	30.7
TPM (koz t)	3.0	3.2	33.7	30.9

Production of Sierra Gorda (55%):

- **Production of payable copper amounted to 8.3 thousand tonnes** and was lower by 1.8 thousand tonnes (-18%) compared to December 2021. The decrease in payable copper production in December 2022 compared to December 2021 was due to a lower volume of ore processed, lower metal content in extracted ore and lower metal recovery.
- **Production of molybdenum amounted to 0.2 million pounds** and was lower by 0.2 million pounds (-50%) compared to December 2021. The decrease in molybdenum production in December 2022 compared to December 2021 was due to lower recovery and a lower volume of ore processed despite higher metal content in mined ore.

Sales of Sierra Gorda (55%):

- **Sales of copper amounted to 7.7 thousand tonnes** and were lower by 2.8 thousand tonnes (-27%) compared to sales recorded in December 2021. This result was due to a lower volume of copper concentrate sold (by approx. 21.5 thousand tonnes) in December 2022, due to the agreed schedule of shipments.
- **Sales of molybdenum amounted to 0.2 million pounds** and were lower by 0.5 million pounds (-71%) compared to December 2021. The level of sales of molybdenum reflects the schedule of processing molybdenum concentrate and the return of molybdenum oxides designated for sale as well as the planned and achieved level of molybdenum production by the Sierra Gorda mine.
- **Sales of silver amounted to 2.0 tonnes** and were lower by 1.5 tonnes (-43%) compared to sales in December 2021. The main reason for the achieved result was lower sales of copper concentrate.
- **Sales of TPM amounted to 3.0 thousand troy ounces** and were lower by 0.2 thousand troy ounces (-6%) compared to December 2021. The reason for this result was – as in the case of silver sales – a lower amount of copper concentrate sold.